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Question1: Commodity subsidies should be limited; our current system keeps commodity prices artificially low, and while such may be beneficial to the consumer, we are encouraging overproduction of our crops by rewarding production and guaranteeing income, thus, land prices are artificially inflated as farmers, investors, etc. know they will have a source of guaranteed income. Commodity subsidies should be minimized, perhaps a national cap, and instead the money should be funneled towards conservation and set-aside measures. A simple supply and demand effect would result; less production equals greater demand and higher prices. As it is, we are forcing smaller producers out of business with high land prices, low return by minimizing profit margins so that only large and very large producers can afford such hairsplitting between profitability and breaking even or even loss.

Question2: See answer above. US producers will never be as competitive as producers in developing countries or latin american countries where the cost of living and standard of living are lower than here. We have a certain expectation of quality of life that does not exist around the globe. As a result, are farmers anticipate and expect higher prices, or at least subsidies to ensure profitability. Subsidies drive up prices all along the production chain, from land, to equipment to labor prices. Suppliers know producers are guaranteed a certain price and therefore operate in a price fixing scheme. Let free market principles determine the price of a combine, not commodity subsidies.

Additionally, countries around the globe have taken offense to certain elements of our ag economy. We are seeing backlash in trade due to our high subsidies. Ag countries around the globe are penalizing or threatening to penalize our producers with trade barriers due to their perception that our producers are at an advantage thanks to commodity subsidies. As well, there is a certain backlash against genetically modified crops. Many of our trade partners have their qualms about the safety and long term effects of genetically modified crops. These developments are allowing us to produce greater yield on any given existing tract as well as expand the range of crops into previously unarable land thus creating larger yields but resulting in decreased market price, thus necessitating increased subsidy payments. Seems a vicious cycle that needs to be broken.

Question3: First and foremost, the current system dictates increased production and lower prices (see answer 1 & 2) and thus, slimmer profit margins. Of course, only large and very large producers have any sort of comfort working with such a narrow margin. Although a trend towards larger and larer farms is expected (the avg farm of 1880 was certainly smaller than 1940, and so on) the current system is hastening the inevitable. In addition to the current ineffective cap on total commodity payments (which should be lowered), there needs to be a nationwide cap on production, perhaps on acreage/expected yield. Furthermore, should a producer produce more than a certain alotment by

acreage/yield, he ought to be penalized by reducing by that amount from the maximum he can claim for commodity support, etc. to discourage overproduction or at the very least, end the rewarding of over production.

Question4: I disagree with certain programs, such as CRP, being used for forestation programs. Old growth forest does not promote biodiversity. Regenerating forests after clear cutting provides the greatest forestland biodiversity and actually mimics natural cycles in forests. Seperate programs need to be implemented for the management of private forests seperately from successful farmland programs.

To encourage idling of land and decrease overproduction, a great emphasis needs to be placed on idling and protecting land, especially marginal land. Here in South Dakota, very fragile, and marginal at best, farm land is being converted from native pasture to farmland thanks to genetically modified crops and guaranteed payments via commodity subsidies. The over-production reward must be stopped and in its place, reward for conservation. The success of CRP and similar programs is best typified by the explosion of wildlife and biodiversity here in South Dakota following the implementation of CRP in the 80's. Of course, no one expects a landowner to idle his land when he could be profitting from it. Conservation programs are a great way to ensure income while benefitting the entire population with clean water, reduced erosion, and wildlife benefits. The savings of reduced commodity subsidies could and should be applied to conservation. Conservation programs benefit smaller producers most by taking marginal land out of production, such land that a larger producer might be comfortable with lower yields thanks to greater ability to absorb costs and losses, and guarantees that small producer an income on that land. As well, the program goals and requirements should be changed. Recent farm bills have deemphasized large tract CRP enrollments in the farm belt and shifted emphasis to small buffer strips and forest land. Large tracts have the greatest benefit, and what's more, are very popular with producers. Linked to this, is the necessity that NRCS and Farm Services be adequately funded and staffed to enroll and implement programs, as has not happened since the 02 bill. Lastly, further programs should emphasize protection of native prairies and grasslands, areas that are ripe with biodiversity. Protection of these fragile and valuable lands ought to be paramount, both to cheaply protect their biological importance and to decrease their destruction for row crop agriculture that ultimately adds further glut to overcrowded markets.

Question5: Perhaps the Federal Government should get out of the way. I'm not sure rural development is appropriate in a farm bill. That being said, much talk is made of affordable housing, etc. Well, there are plenty of affordable houses in rural america and people willing to work. Decrease rural taxes and encourage growth in business. Quit subsidizing inner cities and encourage relocation to rural areas. But that isn't the domain of the Dept. of Ag.

Question6: I think renewable fuels are a good thing but we must be weary lest we do more harm than good to our environment by destroying grasslands for corn fields in the name of renewable fuels. We need to examine when and where we've reached diminishing returns as far promoting an environmetnally friendly product that ultimately harms the environment. Additionally, organic products need a cynical eye as well, as greater areas of land are required to produce x amount of crop that could be produced more conventionally. Genetic crops should be minimized until their long term effects are known and so that wheat, corn, and beans are not being grown where they ought not be to the detriment of the market.